

RECORDATION NO. 26513-C FILED

AUG 17 '06 11-49 AM

SURFACE TRANSPORTATION BOARD

OF COUNSEL
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ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

August 17, 2006

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Security Agreement Supplement No. 2, dated as of August 17, 2006, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Restated Lease Supplement No. **3** being filed with the Board under Recordation Number _____.

The names and addresses of the parties to the enclosed document are:

Secured Party: Bayerische Landesbank, Cayman Islands
Branch
560 Lexington Avenue
New York, New York 10022

Debtor: Siemens Financial Services, Inc.
170 Wood Avenue South
Iselin, New Jersey 08830

Mr. Vernon A. Williams
August 17, 2006
Page 2

A description of the railroad equipment covered by the enclosed document is:

438 Mechanized Rapid Discharge® V Coal railcars: within the two series JHMX 991561 – JHMX 991200 (except JHMX 991660 and JHMX 991955).

A short summary of the document to appear in the index is:


Memorandum of Security Agreement Supplement No. **3**.

Also enclosed is a check in the amount of \$34.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,



 Edward M. Luria

RWA/sem
Enclosures

AUG 17 '06

11-49 AM

SURFACE TRANSPORTATION BOARD

MEMORANDUM OF SECURITY AGREEMENT SUPPLEMENT NO. 3

Memorandum of Security Agreement Supplement No. 3 (this "Memorandum"), made and entered into as of August 17, 2006, by and between **SIEMENS FINANCIAL SERVICES, INC.**, a Delaware corporation ("SFS") and **BAYERISCHE LANDESBANK, CAYMAN ISLANDS BRANCH** ("BayernLB").


WITNESSETH

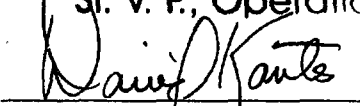
1. The undersigned have entered into that certain Security Agreement dated as of May 1, 2006 (the "Security Agreement"), pursuant to which SFS has granted a security interest to BayernLB in order to secure certain obligations of SFS as described in the Security Agreement.
2. A Memorandum of the Security Agreement was filed and recorded with the Surface Transportation Board on May 1, 2006, pursuant to Section 11301 of Title 49 of the United States Code, and was assigned Recordation Number 26318-C.
3. The undersigned have entered into that certain Security Agreement Supplement No. 1 dated May 1, 2006 relating to the Security Agreement and extending SFS's grant of a security interest therein to certain railcars bearing reporting marks and road numbers as listed on Schedule I attached thereto. A Memorandum of Security Agreement Supplement No. 1 was filed and recorded with the Surface Transportation Board on May 1, 2006, pursuant to Section 11301 of Title 49 of the United States Code, and was assigned Recordation Number 26318-D.
4. The undersigned have entered into that certain Security Agreement Supplement No. 2 dated June 23, 2006 relating to the Security Agreement and extending SFS's grant of a security interest therein to certain railcars bearing reporting marks and road numbers as listed on Schedule I attached thereto. A Memorandum of Security Agreement Supplement No. 2 was filed and recorded with the Surface Transportation Board on June 23, 2006, pursuant to Section 11301 of Title 49 of the United States Code, and was assigned Recordation Number 26415-C.
5. The undersigned have entered into that certain Security Agreement Supplement No. 3 dated August 17, 2006 relating to the Security Agreement and extending SFS's grant of a security interest therein to certain railcars bearing reporting marks and road numbers as listed on Schedule I attached hereto.

[Signature pages follow.]

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum of Security Agreement Supplement No. 3 to be duly executed by their respective officers duly authorized as of the date and year first above written.

SIEMENS FINANCIAL SERVICES, INC.

By: 
Name: **Roger M. Franco**
Title: **Sr. V. P., Operations**

By: 
Name: **David Kantes**
Title: **Senior Vice President
and
Chief Risk Officer**

BAYERISCHE LANDESBANK,
CAYMAN ISLANDS BRANCH

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

STATE OF NEW JERSEY

COUNTY OF MIDDLESEX, ss:

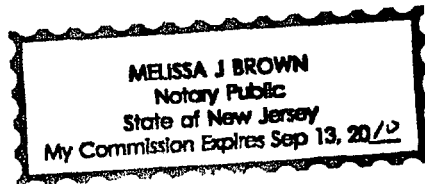
On this 10th day of August, 2006, before me personally appeared Roger M. Franco,
to me personally known, who being by me duly sworn, says [s]he is the Sr. V. P. of
SIEMENS FINANCIAL SERVICES, INC., that said instrument was signed on behalf of said
corporation by authority of its Board of Directors, and [s]he acknowledged that the execution of
the foregoing instrument was the free act and deed of said corporation.

[NOTARIAL SEAL]

Notary Public

Melissa J. Brown

My Commission Expires: 9.13.2010



STATE OF NEW JERSEY

COUNTY OF MIDDLESEX, ss:

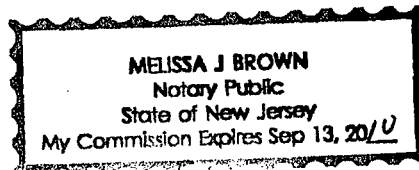
On this 10th day of August, 2006, before me personally appeared David Kantes,
to me personally known, who being by me duly sworn, says [s]he is the Sr. V. P. of
SIEMENS FINANCIAL SERVICES, INC., that said instrument was signed on behalf of said
corporation by authority of its Board of Directors, and [s]he acknowledged that the execution of
the foregoing instrument was the free act and deed of said corporation.

[NOTARIAL SEAL]

Notary Public

Melissa J. Brown

My Commission Expires: 9.13.2010



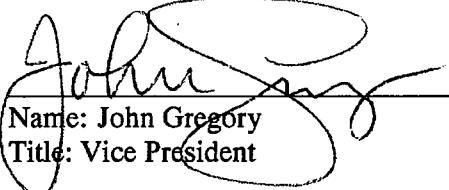
IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum of Security Agreement Supplement No. 3 to be duly executed by their respective officers duly authorized as of the date and year first above written.

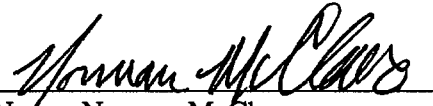
SIEMENS FINANCIAL SERVICES, INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

BAYERISCHE LANDESBANK,
CAYMAN ISLANDS BRANCH

By: 
Name: John Gregory
Title: Vice President

By: 
Name: Norman McClave
Title: First Vice President

STATE OF NEW YORK

COUNTY OF NEW YORK , ss:

On this 17th day of August, 2006, before me personally appeared John Gregory, to me personally known, who being by me duly sworn, says he is the Vice President of BAYERISCHE LANDESBANK, CAYMAN ISLANDS BRANCH that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public


My Commission Expires:

DONNAM. QUILTY
Notary Public, State of New York
No. 30-5036038
Qualified in Nassau County
Certificate Filed in New York County
Commission Expires November 14, 2006

STATE OF NEW YORK

COUNTY OF NEW YORK , ss:

On this 17th day of August, 2006, before me personally appeared Norman McClave, to me personally known, who being by me duly sworn, says he is the First Vice President of BAYERISCHE LANDESBANK, CAYMAN ISLANDS BRANCH, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public

My Commission Expires:

DONNAM. QUILTY
Notary Public, State of New York
No. 30-5036038
Qualified in Nassau County
Certificate Filed in New York County
Commission Expires November 14, 2006

SCHEDULE I

Four hundred thirty-eight (438) Mechanized Rapid Discharge® V Coal Cars:

Car Numbers: JHMX991561– JHMX991659 (99 cars)
 JHMX991661– JHMX991954 (294 cars)
 JHMX991956– JHMX992000 (45cars)

Total: 438 cars

CERTIFICATION

I, Robert W. Alvord, attorney licensed to practice in the State of New York and the District of Columbia, do hereby certify under penalty of perjury that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document.

Dated: August 17, 2006

A handwritten signature in black ink, appearing to read 'Alvord', written over a horizontal line.

Robert W. Alvord